

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HJR 576

January 26, 2012

**SUMMARY OF BILL:** Expresses support for free legal representation for the citizens of Tennessee in matters regarding denial of unemployment benefits before the Department of Labor and Workforce Development (DLWD) and before any court that has jurisdiction in such matters.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – The fiscal impact of an expression of support will be not significant. Should the Department of Labor and Workforce Development provide legal representation for indigent claimants, there will be an increase in recurring state expenditures of \$448,700 and an increase in federal expenditures from the Unemployment Insurance Trust Fund of \$23,300.**

Assumptions:

- According to DLWD, there will be 325 claimants represented before the Appeals Tribunal, 111 before the Office of Administrative Review, and 1 before a Chancery Court. There will be a total of 437 indigent claimants (325 + 111 + 1) provided an attorney.
- Five additional Attorney 3 positions will be required increasing recurring state expenditures by \$372,430 [5 x (\$59,640 salary + \$14,846 benefits)]. One additional administrative services assistant will be required increasing recurring state expenditures by \$55,231 (\$42,900 salary + \$12,331 benefits). An additional \$21,000 per year will be required for training, software, and malpractice insurance. The total recurring increase in state expenditures will be \$448,661 (\$372,430 + \$55,231 + \$21,000).
- There will be four claimants per year that will win the appeal who would not have won without an attorney. These four claimants will receive benefits for 26 weeks at an average weekly rate of \$224 resulting in a recurring increase in state expenditures from the Unemployment Insurance Trust Fund of \$23,296 (4 claimants x 26 weeks x \$224).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Kevin D. Quinn".

**HJR 576**

Lucian D. Geise, Executive Director

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